

*It was probably*



*just an oversight*

**Tax Amnesty  
Ends March 31**

# Tax Amnesty

Application Period February 1, 2005,  
through March 31, 2005

We all make mistakes. But we don't always get a chance to correct them. If you did not properly report sales or use taxes in the past, now is your chance to correct that oversight by taking advantage of the Board of Equalization's sales and use tax amnesty program.

You can avoid significant penalty charges and possible criminal prosecution if you apply, file the required returns, and pay the overdue taxes and interest in full.

## *What is sales and use tax amnesty?*

Amnesty provides a rare opportunity to report and pay sales and use taxes that were not reported or to pay tax liabilities that were reported but which remain unpaid. Amnesty allows you to report those tax liabilities without fear of criminal action being brought against you by the State of California.

If you fulfill all amnesty requirements, you will be relieved of penalties for the reporting periods that are eligible for amnesty.

## *Who is eligible?*

You are eligible to participate in sales and use tax amnesty for tax reporting periods that started before January 1, 2003 if you

- Underreported sales or purchases on a previously filed return.
- Did not file a return or report tax for a taxable sale or purchase.
- Have an existing liability.

## *Who is not eligible?*

You are not eligible to participate in the sales and use tax amnesty program if you are currently under criminal investigation or if a court proceeding has been initiated against you as of February 1, 2005.

## *What if I am eligible for amnesty but don't participate? Or, I participate, but understate my liability?*

You will be subject to substantial new penalties that go into effect April 1, 2005. You may be charged penalties at double the normal rate plus an added charge equal to 50 percent of the interest due. For more information, go to [www.taxes.ca.gov](http://www.taxes.ca.gov) or call our Information Center, 800-400-7115.

## *How and when do I apply?*

You must complete and sign an amnesty application and submit it to the Board of Equalization during the sales and use tax amnesty period. The amnesty period starts February 1, 2005, and ends March 31, 2005.

Applications will be available by January 15, 2005, from the following sources:

- Internet. [www.taxes.ca.gov](http://www.taxes.ca.gov)
- Faxback. 800-400-7115 (choose automated services)
- Information Center. 800-400-7115
- Mail. Write to Board of Equalization, Tax Amnesty Program (MIC:95), PO Box 942879, Sacramento, CA 94279-0095 (be sure to ask for a sales and use tax amnesty application).
- Field Office. Visit a Board of Equalization field office (look in the phone book under Government Pages, State of California, Equalization, Board of).

### *How do I participate in the sales and use tax amnesty program?*

- Apply by March 31, 2005.
- File any required tax return(s) by May 31, 2005, and
- Pay all tax and interest amounts in full by May 31, 2005. (If you cannot pay in full by then, you may request to enter into an installment plan. If your request is approved, you must pay in full by June 30, 2006.)

## *Can I file an extension for amnesty?*

No. Amnesty applications are due by March 31, 2005.

## *If I file an application during amnesty, can I file my returns and pay after the deadline to apply?*

Yes, but you must file any required returns and make payment by May 31, 2005. If you request and are approved for an installment payment plan, you must pay the full amount due by June 30, 2006.

## *Can I get a refund of penalty amounts I've already paid?*

No. You cannot get a refund of penalty amounts that you paid previously.

## *Can I apply for sales and use tax amnesty if I am in bankruptcy?*

Yes. However, if you are currently in bankruptcy, you will need to obtain an order from the Federal Bankruptcy Court approving your participation in the amnesty program. You must submit a copy of the order with your amnesty application.

For Assistance

Internet

[www.taxes.ca.gov](http://www.taxes.ca.gov)

Board of Equalization  
Information Center  
800-400-7115

TTY/TDD 800-735-2929

Taxpayers' Rights Advocate Office  
888-324-2798

## Income or Franchise Taxes

*Although the Board's sales and use tax amnesty program is similar to the amnesty program being administered by the Franchise Tax Board, there are some differences. Please visit [www.taxes.ca.gov](http://www.taxes.ca.gov) for information regarding income and franchise tax amnesty.*

